

STATE OF MARYLAND

**MARYLAND DEPARTMENT OF THE ENVIRONMENT**

**Shari T. Wilson, Secretary**

**BILL NO: House Bill 62**

**COMMITTEE: Environmental Matters**

**POSITION: Oppose**

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**TITLE:** Environment - Payment of Cost Differential - Nitrogen Removal Technology

**BILL ANALYSIS:** Existing Environment Article 9-1108 requires any septic system installed in a Critical Area to include technology to remove nitrogen and for MDE to provide funding in accordance with the provisions of the Bay Restoration Fund, as available. HB 62 would require MDE to make payments from general fund appropriations for the installation of any on-site sewage disposal systems utilizing nitrogen removal technology required under §9-1108 if sufficient funding is not available from the Bay Restoration Fund.

This proposed legislation confuses Bay Restoration Fund priorities for upgrading septic systems. One section of Environment Article §9-1605.2 (Bay Restoration Fund), unchanged by the Bill, would indicate that the highest priority for funding is failing systems and holding tanks located in the Chesapeake and Atlantic Coastal Bays Critical Area and then failing systems not in the Critical Area. Another section of Environment Article §9-1605.2, changed by the Bill, would indicate that providing grants for nitrogen removal upgrades that support the construction of new houses in the Critical Area would have a higher priority than nitrogen removal upgrades at failing systems outside the critical Area.

**POSITION AND RATIONALE:** MDE opposes HB 62. MDE currently administers grants to individuals and local jurisdictions for implementing the program. This legislation will affect the operations and finances of the Department if enacted. The Department estimates that more that \$1.5 million in annual general funds would be diverted from the Department's operating budget to pay for upgrades of septic systems under this legislation.

**FOR MORE INFORMATION,**  
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